

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
SUEZ WATER DELAWARE, INC. CONCERNING)
THE SEMI-ANNUAL ADJUSTMENT TO THE)
DISTRIBUTION SYSTEM IMPROVEMENT) DOCKET NO. 17-0370
CHARGE ("DSIC") EFFECTIVE JULY 1, 2017)
PURSUANT TO 26 DEL. C. §314)
(FILED MAY 25, 2017; AMENDED JUNE 12, 2017)

ORDER NO. 9075

This 20th day of June 2017, the Delaware Public Service Commission (the "Commission") determines and orders the following:

WHEREAS, on May 25, 2017, Suez Water Delaware, Inc. ("SUEZ") filed an application (the "Application") and on June 12, 2017, filed a revised Application (the "Revised Application") to set its "Distribution System Improvement Charge" ("DSIC Rate")¹ pursuant to 26 Del. C. § 314; and

WHEREAS, SUEZ seeks to set its DSIC Rate at 1.07%. The requested DSIC Rate is based on net additional plant of \$2,290,138 placed into service between November 1, 2016 and April 30, 2017, and an associated semi-annual depreciation expense of \$16,375; and

WHEREAS, Staff's review of the Application revealed that the net utility plant additions included utility plant placed into service between July 1, 2016 and April 30, 2017; and

WHEREAS, the Commission's Regulations Implementing the Water Utility Distribution System Improvement Charge, 26 Del. Admin. C.

¹ The DSIC Rate mechanism is described in greater detail in PSC Order No. 5850, dated December 11, 2001.

§1009 - 2.3, states that for a July 1 effective date, the applicable recovery period is November 1 through April 30; and

WHEREAS, after notification from Staff, SUEZ submitted the Revised Application which removed the utility plant additions that were placed into service between July 1, 2016 and October 31, 2016; and

WHEREAS, Staff reviewed the Revised Application and determined that the requested revised DSIC Rate of 1.07% is less than a 5% increase in current rates and, therefore, satisfies the requirements of 26 Del. C. § 314(b)(7); and

WHEREAS, Staff recommends that the Commission not specifically approve the requested DSIC Rate, but rather permit the requested DSIC Rate to become effective July 1, 2017 on an interim basis subject to Staff's review, audit, and annual reconciliation based on the 12-month period ending December 31, 2017 (the "Audit"); and

WHEREAS, Staff further recommends that if the Audit reflects that the requested DSIC Rate was improperly calculated, the Commission revise the requested DSIC Rate and provide appropriate remedies for any improperly collected DSIC charges.

**NOW, THEREFORE, IT IS HEREBY ORDERED BY THE AFFIRMATIVE
VOTE OF NOT FEWER THAN THREE COMMISSIONERS:**

1. Pursuant to 26 Del. C. § 314, the requested DSIC Rate of 1.07% shall become effective July 1, 2017, on an interim basis subject to the Audit and final approval.

2. Pursuant to 26 Del. C. § 314(b)(1), SUEZ shall provide information to its customers concerning the requested DSIC Rate.

3. Pursuant to 26 Del. C. § 314(b) (8), the Commission reserves jurisdiction and authority to conduct the Audit. SUEZ is hereby notified that it may be obligated to refund or reimburse customers if the Audit reflects that the requested DSIC Rate was improperly calculated. The Commission can revise the requested DSIC Rate and provide appropriate remedies for any improperly collected DSIC charges.

4. SUEZ is hereby notified that it will be assessed the costs of this proceeding pursuant to 26 Del. C. § 114(b).

5. The Commission reserves the jurisdiction and authority to enter such further orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Chair

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Secretary